

Cumberland, Wisconsin
October 17, 2022

The monthly meeting of the Cumberland Municipal Utility Commission was called to order on Monday, October 17, 2022, at 4:00p.m. in the Utility Conference Room located at 1265 2nd Avenue, Cumberland, Wisconsin, by Utility Commission President, Craig Turcott. The following commissioners were present: Craig Turcott, Gerald Thon, John Anderson, Louis E. Muench and Thomas Goldsmith. Also in attendance was General Manager Dean Bergstrom, Office Manager Lori Nyhus, Utility Billing Clerk Amanda Cook and Mayor Dan Shoemaker.

There was no public comment.

The commissioners reviewed the minutes from the September 19, 2022 meeting that were provided in advance of the meeting. After discussion, a motion was made by Muench and seconded by Thon to approve the set of minutes from September 19, 2022 as presented; motion carried.

Next, the commissioners reviewed the voucher listing for approval that was provided in advance. After a few questions, a motion was made by Thon and seconded by Anderson, to approve payment of said vouchers numbered 13327 through 13431, with one voided check numbered 13392 and eight automatic payment transactions, for a total dollar amount of \$591,289.89. Motion carried; vouchers approved.

Miss Cook then presented the Utility Project Report which shows projects happening in all departments at the Utility. The only recent change to the completed projects was the service upgrade to Well #5 that went over budget by \$215.00. There are still a few projects yet to be completed, some of which will carry into next year. The commissioners thanked Miss Cook for her presentation.

Mrs. Nyhus then reviewed the financial position of the Utility with the commissioners on paper materials that were provided in advance and by overhead projection via PowerPoint. In the Electric Department, sales were almost the same as last year at this time. With 3M's usage being down the current month and year-to-date and Seneca's usage being up for the current month but down overall for the year-to-date, the operating revenues were up. This was mainly due to the price of power which made our PCAC a positive .0138 whereas last year at this time it was -.0108. The cost of power is up in the market and everyone is seeing this nationwide. After operation expenses, we had a net income of approximately \$11,000.00 less than this time last year and income is down about \$95,000.00 year-to-date. In the Water Department, sales are up overall 3% with Seneca's water usage being up slightly over 2,000,000 gallons year-to-date. Operating revenues and expenses were both up slightly over last year at this time, leading to almost the same net income as we had at this time last year. Year-to-date, the net income is down approximately \$24,000.00 compared to this time last year. The Sewer Department was very close to the same as last year overall. Operation Maintenance Revenues were only \$1,000.00 less than this time last year. Our net income in Operation and Maintenance is down about \$3,500.00 compared to last year, but overall we are up approximately \$46,000.00 year-to-date. Our cash balance remains strong and the Utility continues to be in sound financial condition. A motion was made by Goldsmith and seconded by Thon, to approve the financial statements and Utility Project Report as presented; motion carried.

Next, Mrs. Nyhus presented a packet of information to the commissioners regarding debt coverage, rate of return and provided information about why the rate of return is important to the Utility as we are getting the application finalized for a water rate study for a rate increase in 2023. Her report showed how rate of return would look for the Water Utility and a few estimates of what our rate of return will look like after 2022 and projected in 2023. It showed the water rate increases and how many simplified and conventional water rate cases we have completed in the last 23 years. In addition, it showed what the water rates have been the past 14 years. It showed what the water rate case summary would look like to show the commissioners what percentage of increase we would be looking at in our rates. Lastly, it explained how our sewer rates are calculated per the City of Cumberland's Sewer Ordinance and what the sewer rates have been for the last 9 years. After the presentation and many questions, a motion was made by Muench and seconded by Anderson, to proceed with a two-step water rate case in which we are asking for a 4.9% rate of return to the PSC; motion carried.

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Next on the agenda was to discuss and approve employee health insurance for 2023. Three options were discussed as well as dental coverage in which dental could be included in the health insurance policy rather than a separate policy through Anthem. The dental policy through the health insurance option would save the Utility cost on a yearly basis, but it does lessen the coverage for the employee. There would be an option for the employee to upgrade the minimum dental coverage. At this time, we are not sure if we can switch to this dental plan, so the Office Manager is looking into it. A motion was made by Goldsmith and seconded by Muench, to approve the resolution stating to change Employee Trust Fund Traditional HMO Standard PPO without Dental to Traditional HMO Standard PPO with Dental to be effective as soon the Employee Trust Fund will allow. Also, the employee cost for the health plan in either manner will stay at \$244.31 per month. All commissioners voted yes; motion carried.

Next, the General Manager discussed automatic meter reading proposals that were received from Core & Main and Ferguson Waterworks. He informed the commissioners about the differences between the two systems and the proposed dollar amounts for each. The General Manager continuously monitors grant funding from the Federal Government to help pay for 50% of the proposed cost. After much discussion, the commissioners elected to not act on anything at this time and to see what transpires with a possible grant in the future.

The General Manager provided an update on the Utility/Street Department Shop. The Utility is working on the Construction Authorization to be sent in to the PSC. We are hoping to finish this in the very near future. Northwest Builders has been helping us with some of the questions that only they could answer. Northwest Builders will be coming back in the next 2-3 weeks with a preliminary building design. The General Manager will keep the commissioners informed as new developments occur.

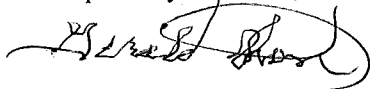
Lastly, the General Manager reported that he has been looking at sites for proposed Well #6. There is some training that the commissioners can complete online that gains extra points towards a grant through the Safe Drinking Water Loan. The commissioners stated that they would be more than willing to do the course on their own time to help gain points.

Finally, an update on the hospital project was provided. All pipe is in the ground. They are in the process of testing the watermain and there are a few minor items that need to be done, but the pipe installation project is nearing completion.

It was noted that the next commission meeting date will be Monday, November 21, 2022 at 4:00 p.m. in the Utility Conference Room.

There being no further business, a motion to adjourn the meeting was made by Thon and seconded by Goldsmith. Motion carried; meeting adjourned.

Respectfully submitted,



Gerald Thon, Secretary